

# Minnesota Housing Loan Programs

## Start Up *First-time homebuyer loans*



### Program Description

This description is a summary of program requirements and does not contain all the information needed to originate Minnesota Housing loans. Lenders should refer to Minnesota Housing's [Start Up Program Procedural Manual](#) and the underlying product descriptions for complete information.

PARAMETERS	REQUIREMENTS		
First-Time Homebuyer	Yes, all borrowers		
Eligible Use	Purchase		
Eligible Products	<ul style="list-style-type: none"><li>FHA</li><li>FHA 203(k) Streamlined</li><li>VA</li><li>RD</li></ul>	<ul style="list-style-type: none"><li><a href="#">Conventional HFA Preferred™*</a></li><li><a href="#">Conventional HFA Preferred Risk Sharing™*</a></li></ul>	<i>*See product description for additional requirements</i>
Eligible Occupancy	Owner-occupied		
Minimum Credit Score/Maximum Debt-to-Income Ratio (DTI)	<ul style="list-style-type: none"><li>640 / 45% maximum</li><li>660 / 50% maximum</li><li>Loans with non-traditional credit committed July 1, 2015 or later require manual underwriting; and,<ul style="list-style-type: none"><li>Maximum 36% DTI</li><li>Minimum two months PITIA reserves after closing (or per product guidelines, if greater)</li></ul></li></ul>		
Income Limits	Area	1-2-Person Household	3-Person Household or Larger
	11-County Metro	\$86,600	\$99,500
	Rochester MSA <i>(Dodge/Olmsted only)</i>	\$81,700	\$93,900
	Balance of State	\$77,400	\$89,000
Income Calculation	Minnesota Housing <a href="#">Eligibility Income</a> calculation		
Acquisition Cost Limit	<ul style="list-style-type: none"><li>11-County Metro - \$307,300</li><li>Balance of State - \$258,600</li></ul>		
Amortization	15- or 30-year terms		
Interest Rates	Current rates available at <a href="http://www.mnhousing.gov">www.mnhousing.gov</a>		
Downpayment and Closing Cost Loans	<ul style="list-style-type: none"><li>Deferred Payment Loans<ul style="list-style-type: none"><li>Deferred Payment Loan Option</li><li>Deferred Payment Loan Plus Option</li></ul></li></ul>	<ul style="list-style-type: none"><li>Monthly Payment Loan</li><li>Community Seconds®</li></ul>	
Eligible Property Types	<ul style="list-style-type: none"><li>Single-family, detached</li><li>Duplex</li><li>Townhouse</li><li>A unit within a PUD</li><li>Community Land Trust property</li></ul>	<ul style="list-style-type: none"><li>Condos <i>(for loans committed after July 15, 2015, must be approved by USBHM with a Full, Streamlined, or Reciprocal Review, or have an eligible Third Party Certification form)</i></li><li>Modular home</li><li>Manufactured home taxed as real property</li></ul>	
Homebuyer Education	Required of at least one borrower receiving a: <ul style="list-style-type: none"><li>Conventional loan, and/or</li><li>Minnesota Housing downpayment and closing cost loan</li></ul>		
Minimum Borrower Contribution	Lesser of \$1,000 or 1% of the purchase price if receiving a Minnesota Housing downpayment and closing cost loan		
Minimum/Maximum	Defer to underlying product guidelines		



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<b>Reserves</b>	
<b>Interested Party Contributions</b>	Defer to underlying product guidelines
<b>Maximum LTV/CLTV</b>	Defer to underlying product guidelines

